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Preparatory Commission for the International Criminal Court

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Working Group on a Draft Budget for the First Financial Period of the Court
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Proposed texts of provisions on external audit, on a Working Capital Fund and on outsourcing of procurement for inclusion in a draft budget for the first financial period of the Court, as well as an annex on non-recurrent requirements for furniture and equipment

Prepared by the Secretariat

Introduction

1. At its ninth session (8-19 April 2002), the Preparatory Commission for the International Criminal Court, in the task list contained in Part B of annex II to the proceedings of the session (PCNICC/2002/L.1/Rev.1/Add.1), requested the Secretariat to prepare texts of provisions on external audit and on a Working Capital Fund as well as an annex on non-recurrent requirements, including the related unit costs, for the discussion on a draft budget for the first financial period of the Court at the tenth session of the Preparatory Commission. Furthermore, the Coordinator of the Working Group on a Draft Budget for the First Financial Period of the Court requested the Secretariat to prepare, on the basis of discussions of the Working Group on Financial Issues-Financial Rules at the ninth session, a text of provisions on outsourcing of procurement for inclusion in the draft budget and consideration by the Preparatory Commission. The present document has been prepared pursuant to those requests.

External audit

2. In accordance with regulation 12 of the draft Financial Regulations of the Court (PCNICC/2001/1/Add.2), an external Auditor shall be appointed by the Assembly of States Parties to conduct audits in conformity with generally accepted common auditing standards, subject to any special directions of the Assembly of States Parties. The Auditor shall issue a report relating to the accounts for the financial period.

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3. Since it has been proposed that the first financial period should extend from September 2002 to the end of December 2003 and owing to the fact that a certain level of activity and related expenditure will occur prior to the appointment of the Registrar, it is considered advisable that an initial audit should cover the period beginning with the very first activities of the Court, including meetings of the Assembly of States Parties, until such time as the Registrar takes up his or her duties. It is contemplated that a subsequent audit would cover the entire first financial period.

4. While the Auditor has yet to be appointed, it is estimated that the total cost of external audit for the first financial period of the Court would be €40,000. This figure is reflected in Part Two of the revised draft budget for the period (PCNICC/2002/WGFYB/L.2).

Working Capital Fund

5. Pursuant to regulation 6.2 of the draft Financial Regulations (PCNICC/2001/1/Add.2), an amount of €2,047,500 (based on the practice of the United Nations, at one twelfth the cost of the operations of the Court) is provided for the establishment of a Working Capital Fund to ensure capital to meet short-term liquidity requirements pending the receipt of assessed contributions. Advances shall be made in accordance with the agreed scale of assessment pursuant to draft regulation 5.2.

Outsourcing of procurement

6. During the ninth session of the Preparatory Commission, in addressing the question of procurement requirements for the Court, there was a general sentiment in the Working Group on Financial Issues-Financial Rules that it would be desirable, in principle, for the Court to outsource procurement during the initial phase. At the same time, the Working Group was of the view that such outsourcing should be limited in time and utilized only when reasonably required. Furthermore, it was underscored that outsourcing of procurement should not entirely replace the Court's internal procurement capability during the initial phase. In order to factor in learning and training in that area, it was also considered useful that, having due regard to cost-effectiveness and time-efficiency, a staff member of the Court should be placed within the entity that would provide procurement services to the Court.

7. The Procurement Officer (P-3) within the Procurement Section (Part One of the revised draft budget PCNICC/2002/WGFYB/L.1/Rev.1/Add.1, para. 98) could be assigned for that purpose. Requirements estimated at €382,600 were included in the section related to the Common Services Division (under contractual services) to provide for the outsourcing of procurement.

Annex

Non-recurrent requirements for furniture and equipment for the first financial period of the ICC[a]

(Thousands of euros)

	(1) Proposed number of units	(2) Unit cost	(3)=(1)x(2) Total cost
1. Office furniture			
Storage cabinets, lockable, steel	31	800	24 800
Filing cabinets	19	400	7 600
Tables and conference sets	3	7 000	21 000
Heavy-duty, fire-resistant safes	14	1 200	16 800
Workstations	100	3 100	310 000
Furniture sets (offices of judges, Prosecutor, Deputy Prosecutor, Registrar)	12	5 500	66 000
Bookcases	20	150	3 000
Waste baskets	150	40	6 000
Subtotal			**455 200**
2. Office equipment			
Scanners	3	6 700	20 100
Shredders (small)	7	250	1 800
Shredders (medium size)	2	5 700	11 400
Subtotal			**33 300**
3. EDP equipment			
Desktop computers	102	1 700	173 400
Desktop printers	102	500	51 000
Facsimile machines	9	600	5 400
Laptops	11	2 600	28 600
Storage area network equipment	1	540 000	540 000
Printers (OTP high speed)	1	33 000	33 000
Printers (heavy-duty)	7	1 900	13 300
Network active equipment	1	111 000	111 000
Servers	6	17 000	102 000
Subtotal			**1 057 700**
4. Software			
Anti-virus software	102	100	10 200
MS SQL server software	4	11 000	44 000
MS-Client	50	200	10 000
MS Office	102	400	40 800
Translation software	1	111 000	111 000

	(1) Proposed number of units	(2) Unit cost	(3)=(1)x(2) Total cost
Geo information software	1	11 000	11 000
Network management	4	6 000	24 000
Network security (encryption and detection)	1	167 000	167 000
Firewall software	1	5 000	5 000
Document management (e.g., TRIM Document Management System, Zylab Imaging Software)	1	666 000	666 000
Administration management software (facilities and asset management, budget, procurement, travel, accounting, human resources, etc.)	1	833 000	833 000
Miscellaneous software (e.g., auto CAD, project management, etc.)		87 000	87 000
Subtotal			**2 009 000**
5. Transportation equipment			
Vehicles, passenger (heavy)	2	55 500	111 000
Vehicles, passenger (light)	2	28 000	56 000
Vehicle, bus (12-passenger)	1	22 000	22 000
Transport vans	2	22 000	44 000
Miscellaneous transport equipment		22 000	22 000
Subtotal			**255 000**
6. Communications equipment			
Crypto telephones	4	8 900	35 600
Encryption modules	10	5 600	56 000
Portable fax machines	6	300	1 800
INMARSAT M	2	5 600	11 200
Mobile telephones (including local subscription)	50	200	10 000
PABX systems (including 250 telephones)	1	527 300	527 300
Radio (UHF base station)	2	2 800	5 600
Radio (UHF handsets)	25	300	7 500
Miscellaneous equipment		8 000	8 000
Subtotal			**663 000**
7. Security equipment			
Firearms	23	1 200	27 600
Ammunition	50 000		18 900
Network security software	1	38 700	38 700
Metal detectors and X-ray machines	2	55 500	111 000
Training equipment	1	27 800	27 800
Other security equipment			25 000
Subtotal			**249 000**

	(1) Proposed number of units	(2) Unit cost	(3)=(1)x(2) Total cost
8. Other equipment			
Building maintenance (heavy-duty lot)			**25 000**
Building maintenance (technician's kit)			**25 000**
Subtotal			**50 000**
Total			**4 772 200**

[a] Furniture and equipment offered by the host country were not included in this annex.